

County of Los Angeles CHIEF EXECUTIVE OFFICE

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> **Board of Supervisors GLORIA MOLINA** First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH

Fifth District

February 2, 2009

To:

Supervisor Don Knabe, Chairman

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas Supervisor Zev Yaroslavsky Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

STIMULUS PACKAGE CONTRACT STREAMLINING - REQUEST FOR EXTENSION

On January 13, 2009, on motion of Supervisor Ridley-Thomas, your Board directed the Chief Executive Office (CEO) to work with the Department of Public Works (DPW) and other departments to develop recommendations for streamlining the public procurement, contracting and contract approval processes on an emergency and temporary basis, in order to begin stimulus projects as quickly as possible. Your Board also instructed that recommendations be developed to ensure that stimulus benefits are distributed in fair and appropriate allocations throughout the County.

The CEO convened a committee comprised of DPW, County Counsel and various other departments to develop strategies to streamline the contracting process. requirement being proposed for the stimulus is to begin a project within 180 days of award or risk loosing the funding. Consequently, the committee focused on methods to reduce timeline for bid, award, contract approval and the change order process.

As happens with many large Federal legislative initiatives, the focus of the bill has changed from "shovel ready" infrastructure projects to supporting a wider variety of more traditional programs. Some examples of these are Medicare, Welfare, job training and unemployment benefits which use set formulas to determine how the funds are distributed. At this time the final structure of the bill is uncertain. This lack of clarity impacts the determination of which strategies the County should focus on to maximize stimulus eligibility and fair distribution of proceeds. Therefore, a 30 day extension is requested to allow for finalization and passage of the Federal economic stimulus bill, review of the stimulus requirements and to prepare a disbursement methodology. We anticipate that there may be the need for an interim report back on ideas that can be implemented quickly.

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If you have any questions or require further information on this matter, please contact Ellen Sandt, Deputy Chief Executive Office, at (213) 974-1186 or esandt@ceo.lacounty.gov.

WTF:SRH:EFS SW:ef

c: Executive Officer, Board of Supervisors County Counsel Director, Department of Public Works

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